

IN THE CLAIMS:

A complete listing of the claims is set forth below. Please amend the Claims as follows:

1. **(Currently Amended)** A method for optimizing prices at which products are sold in an automated marketplace, ~~comprising the steps of:~~ comprising:

generating a matrix of all possible buyers and sellers for a product;

for each buyer, providing a ~~buyers~~ buyer's reserve price corresponding to a maximum purchase ~~price;~~ price for each possible seller;

for each seller, providing a ~~sellers~~ seller's reserve price corresponding to a minimum sales ~~price;~~ price for each possible buyer;

calculating a utility value for each pairing of buyers and sellers;

selecting a unique pairing of buyers and sellers that maximizes total utility;

calculating a buyer optimal allocation of the total utility for all buyers and sellers in a stable manner;

calculating a seller optimal allocation of the total utility for all buyers and sellers in a stable manner; and

for each pair in the unique pairing, selecting a transaction price that allocates the utility between that seller and that buyer.

2. **(Currently Amended)** The method of claim 1, wherein ~~the step of providing the buyers~~ buyer's reserve price for each buyer ~~comprises the step of:~~ comprises:

for each buyer, providing the ~~buyers~~ buyer's reserve price corresponding to a maximum purchase ~~price;~~ price for each possible seller, wherein at least one buyer limits the sellers to which the buyer agrees to be matched to a subset less than all possible sellers.

3. **(Currently Amended)** The method of claim 2, wherein each buyer sets the ~~buyers~~ buyer's reserve price for each possible seller with whom that buyer agrees to be matched, and wherein the ~~buyers~~ buyer's reserve price can be different for each such seller.

4. **(Currently Amended)** The method of claim 1, wherein ~~the step of providing the sellers~~ seller's reserve price for each seller ~~comprises the step of:~~ comprises:

for each seller, providing the ~~sellers~~ seller's reserve price corresponding to a minimum sales price, price for each possible buyer, wherein at least one seller limits the buyers to which the seller agrees to be matched to a subset less than all possible buyers.

5. **(Currently Amended)** The method of claim 4, wherein each seller sets a particular ~~sellers~~ seller's reserve price for each possible buyer with whom that seller agrees to be matched, and wherein the particular ~~sellers~~ seller's reserve price can be different for each such buyer.

6. **(Currently Amended)** The method of claim 1, wherein the utility value calculated for each pairing of a buyer and a seller is a difference between the ~~buyers~~ buyer's reserve price and the ~~sellers~~ seller's reserve price.

7. **(Currently Amended)** The method of claim 1, wherein the step of selecting a transaction price ~~comprises the step of:~~ comprises:

providing a proportion value between 0 and 1; and

selecting a transaction price which is proportional to a difference between the optimized seller utility and the optimized buyer utility equal to the proportion value.

8. **(Original)** The method of claim 7, wherein the proportion value equals 0.5.

9. **(Original)** The method of claim 7, wherein the proportion value is less than 0.5.

10. **(Original)** The method of claim 7, wherein the proportion value is greater than 0.5.

11. **(Currently Amended)** The method of claim 1, further ~~comprising the steps~~
of: comprising:
conducting product transactions at the selected transaction prices.

12. **(Original)** The method of claim 1, wherein the buyers and sellers provide their respective reserve prices by communicating them to a central marketplace server.

13. **(Currently Amended)** A system for matching buyers and sellers in an automated marketplace, comprising:

a plurality of buyers for a product;

a plurality of sellers for the product;

a central system containing a matrix of all possible buyers and sellers for the product;

means for each buyer to select a ~~buyers~~ buyer's reserve price representing a maximum purchase ~~price for~~ price, wherein the buyer's reserve price is selected for each possible seller of the product;

means for each seller to select a ~~sellers~~ seller's reserve price representing a minimum selling ~~price for~~ price, wherein the seller's reserve price is selected for each possible buyer of the product;

an optimizer within the central system for assigning a utility value to pairings between buyers and sellers, and calculating a set of such pairings to optimize a global utility value; and

means within the central system for assigning buyers and sellers according to the calculated optimized set of pairings, and assigning a stable transaction price for each pairing between the buyer's and seller's reserves for that pairing.

14. **(Currently Amended)** The system of claim 13, wherein each buyer ~~can set~~ set's a different ~~buyers~~ buyer's reserve price for each possible seller.

15. **(Currently Amended)** The system of claim 13, wherein each seller ~~can set~~ set's a different ~~sellers~~ seller's reserve price for each buyer.

16. **(Original)** The system of claim 13, wherein the assigned utility value for each pairing is equal to a difference in the buyer's reserve and the seller's reserve for that pairing.